

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6119  
ANSWERED ON:27.04.2001  
SEBI INITIATIVE FOR INVESTORS EDUCATION  
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**Will the Minister of FINANCE be pleased to state:**

- (a) whether Mutual Fund Managers and marketIntermediaries have criticised and SEBI andAssociation of Mutual Fund in India (AMFI) for laxity in investors education initiation;
- (b) if so, the details thereof;
- (c) whether the Government are taking initiatives for the investors education in regard to their investment; and
- (d) if so, the details thereof and instructions issued to SEBI in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a) In the recent past, no specific instance of criticism of the Securities and Exchange Board of India (SEBI) and the Association of Mutual Funds in India (AMFI) regarding initiatives for investor education, has been reported to the Government.

(b) Does not arise.

(c) & (d) Promotion of investor education and training of market intermediaries is one of the functions of SEBI under the SEBI Act, 1992. The Government and SEBI are committed to promoting better investor awareness of the risk-return trade-off in capital market instruments.

Towards this end, SEBI has taken several measures, which include, inter alia, issue of advertisements/ public notices in newspapers on investor education, publication and distribution of reference booklets for investors and registration of investors' associations with a view to promoting awareness among investors. SEBI, has also decided to facilitate setting up of investor education centres in leading colleges in major cities and to earmark a sum of Rs. one crore for reimbursement to investors' associations registered with SEBI to meet their expenses related to investor education.

The Department of Company Affairs (DCA) has also setup an Investor Education and Protection Fund for conducting education programs; organizing seminars, approving and funding specific projects for investors' protection; recognizing and funding of voluntary associations engaged in investor protection activities; providing legal assistance to genuine investor litigants etc.

AMFI has brought out and distributed a guide for investors regarding mutual funds. They also organise investor conferences and investor education programmes in different parts of the country.